

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 3024 - SB 2918

February 8, 2010

SUMMARY OF BILL: Requires the Comptroller to conduct a comprehensive study of the use of traffic surveillance cameras and report back to the Transportation Committees of the Senate and House by January 15, 2011. Prohibits local governments from entering into or renewing a contract with a private vendor operating traffic surveillance cameras until July 1, 2012. Requires contracts entered into or renewed after July 2, 2012 to comply with Section 5 of this legislation. Exempts the speed cameras on Hixson Pike in Chattanooga from this prohibition. Prohibits local governments from operating cameras on highways receiving state aid unless all reasonable engineering solutions are exhausted and the contract provides only for payment of services rendered. Requires local governments entering into contracts submit the contract to the Comptroller. Authorizes the Comptroller to audit local governments that use cameras. Decreases fees for citations issued based on camera evidence. Limits court costs to \$10 if not paid within 30 days. Requires a Peace Officer Standards and Training Commission (POST)-certified officer to review video evidence before issuing a citation. Requires local governments to comply with rules and guidelines published by the Department of Transportation, the Department of Safety, and the Comptroller.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – Exceeds \$13,800

**Increase State Expenditures – Exceeds \$100,000/One-Time
\$58,000/Recurring**

Forgone Local Revenue – Exceeds \$2,000,000

Decrease Local Revenue – Exceeds \$2,000,000

Increase Local Expenditures – Exceeds \$1,000,000/Over-Time*

Assumptions:

- According to the Comptroller, conducting a comprehensive study will increase one-time state expenditures at least \$100,000. A consultant will be hired to conduct the study.
- The Comptroller will require an additional auditor to review camera contracts. Recurring state expenditures are estimated to increase \$58,000 for salary (\$38,280) and benefits (\$19,720).
- According to the Comptroller and the Departments of Transportation and Safety, creating rules can be accommodated with existing resources. Any increase in state expenditures is estimated to be not significant.

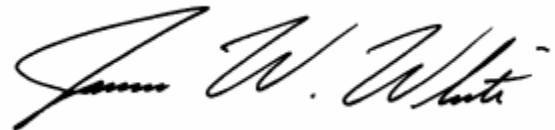
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- Prohibiting new or extended contracts for traffic surveillance cameras is estimated to create forgone local revenue exceeding \$2,000,000 for traffic fines that will no longer be collected.
- Local governments will experience an increase in expenditures estimated to exceed \$1,000,000 for conducting traffic studies before contracts could be entered into or renewed. This will be a one-time expenditure that will occur over time as contracts are negotiated.
- Local government revenue is estimated to decrease at least \$2,000,000 as a result of lowering the fine amounts that can be charged. The Comptroller estimates fines will decrease approximately 35 percent. Litigation taxes and court costs will also decrease, as defendants appealing to court will no longer be assessed these fees.
- According to the Comptroller, state revenue is estimated to decrease at least \$13,800 for the loss of the state portion of litigation taxes.
- Camera evidence is already reviewed by a POST-certified officer.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/kmc